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ABSTRACT

The 1964 Report of the President's Appalachian Regional Commission reinforced the popular image of Appalachia--low income, high poverty, limited education, poor living standards, job deficits, high unemployment, outmigration, stagnation, and decline. Current data indicate that conditions in Appalachia have improved greatly: the percentage of Appalachians in poverty declined; the percentage of adults who graduated high school jumped; housing units with complete plumbing, jobs per 100 people, numbers of jobs, and population increased. Appalachia has been catching up with the rest of the nation. Appalachian per capita income has reached 93 percent of the national level; Appalachian per capita income for nonmetropolitan areas is higher than that of the Southeast and Southwest regions of the United States; poverty rates are below Southeastern and Southwestern ones; employment growth is greater than in several U.S. regions; and Appalachia's population is growing faster than that of some other regions. However, the most rural, most isolated Appalachian counties have a lower per capita income and more people in poverty than such counties elsewhere. Central Appalachia has considerably higher poverty rates than the nation; Appalachia has lower educational attainment than the rest of the nation, especially in central Appalachia where only half of adults have graduated from high school; and Appalachia has fewer jobs per 100 people than the rest of the nation. Today fewer places in Appalachia fit the old images, but the realities of deprivation remain severe in parts of Appalachia. (TD)

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ED 463 921

Socio-Economic Review of Appalachia

Appalachia Then and Now: An Update of "The Realities of Deprivation" Reported to the President in 1964

Andrew M. Isserman

Revised November, 1996

Abstract: In its influential 1964 report, Appalachia, the President's Appalachian Regional Commission characterized Appalachia as a "region apart — geographically and statistically." It stressed the region's low income, lack of urbanization, high unemployment, lack of jobs, deficits in education and living standards, and declines in population. That characterization became the basis of a regional development policy aimed at "the introduction of Appalachia and its people into fully active membership in the American society." This paper repeats the statistical analysis underlying the 1960 report. It asks whether the findings of the original report are still valid. The answer is unequivocal. The traditional characterization of Appalachia is incorrect. Conditions in Appalachia have improved greatly, and the region is catching up with the rest of the nation. Appalachia still lags the nation, however, and parts of the region still suffer the "realities of deprivation" identified by the 1964 report. Those Appalachian counties are among the worst off places in the nation.

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OVERVIEW

John F. Kennedy convened his President's Appalachian Regional Commission (PARC) on April 9, 1963. He asked it to study the region and prepare a comprehensive action plan for its economic development. Central to the resultant plan was a new regional organization, the Appalachian Regional Commission (ARC). Underlying the ARC mission was PARC's clear concept of the Appalachian problem. The opening and closing words of the PARC report to the President come straight to the point:

> *Appalachia is a region apart — geographically and statistically.*
>
> *The Appalachian program will be many programs, unified only by their singleness of focus: the introduction of Appalachia and its people into fully active membership in the American society.*

Appalachia, the report argued, differed from the rest of the country in the mid-1960s because of its terrain and limited accessibility and because of the condition of its people, both socially and economically. The supporting statistical analysis showed how Appalachia was a region apart in socio-economic terms because of its low income, lack of urbanization, deficits in education, and deficits in living standards. While recognizing the heterogeneity of Appalachia, the report stressed that

> *Appalachia is more striking in its homogeneity than in its diversity. Unlike though they may be, its subregions share an unhappy distinction: rural Appalachia lags behind rural America; urban Appalachia lags behind urban America; and metropolitan Appalachia lags behind metropolitan America.*

This paper revisits that characterization of Appalachia as a lagging region, each of whose parts lags its counterparts in the rest of the nation. Using a subset of the original variables or closely related ones, this study updates and extends Chapter 1, "The Realities of Deprivation," of the 1964 PARC report. Important questions motivate this research:

- Have conditions in Appalachia improved?
- Has Appalachia been catching up with the rest of the nation?
- Does Appalachia still lag the nation?
- Do the "realities of deprivation" remain particularly severe in parts of Appalachia?

This paper has two main parts. The first part probes the findings and conclusions of the original report. It answers the first three questions above and a related one: Is the popular image of Appalachia, as reflected in the 1964 report, still valid today? The second part has a broader scope. It examines data for all counties in the continental United States to identify those areas in Appalachia where conditions remain the most severe and areas elsewhere in the nation where people suffer from similarly adverse conditions.

GEOGRAPHICAL CATEGORIES

This report, like the 1964 one, examines statistics for Appalachia as a whole and for various partitions of Appalachia. There are noteworthy methodological differences, however. Congress defines the boundaries of official Appalachia, and there have been changes since the 1964 report. This study uses current definitions. Therefore, the statistics for the 1960s and 1990s include all 13 Appalachian states, not merely the ten states included in the 1964 report. Accordingly, the numbers for the 1960s here are not identical to those in the 1964 report.

This analysis adds subregions and categories of counties not found in the original report. The three subregions examined here, Northern, Central, and Southern Appalachia, are official designations of the Appalachian Regional Commission. Metropolitan and nonmetropolitan, two categories used in the original report, here reflect the current official designations by the Office of Management and Budget. Also, instead of defining counties as only metropolitan or nonmetropolitan, this study uses a seven category continuum adapted from a system defined by the U.S. Department of Agriculture. The county categories are

Metropolitan Counties

1. Counties of metropolitan areas of 1 million population or more
2. Counties in metropolitan areas of 250,000 to 1 million population
3. Counties in metropolitan areas of fewer than 250,000 population

Nonmetropolitan

4. Counties adjacent to a metropolitan area with an urban population of 20,000 or more
5. Counties not adjacent to a metropolitan area with an urban population of 20,000 or more
6. Counties adjacent to a metropolitan area with an urban population of fewer than 20,000
7. Counties not adjacent to a metropolitan area with an urban population of 20,000 or more

These seven urbanization categories capture directly some concerns of the original report. Classification of nonmetropolitan counties by size of the urban population, that is people living in cities or towns of 2,500 or more, recognizes what the 1964 report characterized as the lack of "proper towns" in parts of Appalachia. The focus on adjacency to metropolitan areas, defined not only as physical adjacency but also in terms of job commuting to the central metropolitan counties, helps to identify the spatial separation from job opportunities and human services noted by the original report. In the text, the term, most rural, refers to categories 6 and 7, which have the fewest people living in urban areas. The term, most isolated, refers to categories 5 and 7, which have the least access to metropolitan economies in terms of jobs. Category 7, therefore, is the most rural, most isolated group, whereas Category 5 is isolated but relatively urban and Category 6 is more connected to metropolitan America, hence, less isolated, but still relatively rural.

Although the correspondence between urbanization categories and various socio-economic characteristics should not be overdrawn, these seven categories do represent a

continuum not only of urbanization but also of several socio-economic conditions. Much of the Appalachian condition relative to the rest of the nation can be understood in terms of its urbanization relative to the nation.

To gain further perspective on the Appalachian condition, the region is compared in several instances to other regions of the country. The comparison standard is the eight regions defined by the Bureau of Economic Analysis (BEA):

1. New England
2. Mideast
3. Great Lakes
4. Plains
5. Southeast
6. Southwest
7. Rocky Mountain
8. Far West.

Their boundaries overlap with Appalachia's boundaries, with Appalachia containing parts of the Mideast, Great Plains, and Southeast. Comparisons between Appalachia and the BEA regions refer exclusively to their non-Appalachian portions.

THE HALLMARKS OF APPALACHIA?

The 1964 report characterized Appalachia in terms of several gaps between it and the nation and presented supporting statistics. This report takes as its questions the answers of the 1964 report. It asks whether those answers are still valid. The gaps, both then and now, are examined to determine whether they are indeed still hallmarks of Appalachia. As in 1964, the comparison is between the region and the nation. The nation, however, is defined here to be the rest of the nation, that is, the non-Appalachian United States. How does Appalachia compare to the rest of the nation? To make the text more graceful, the terms rest-of-the-nation or non-Appalachian are used sparingly. Unless indicated otherwise, the comparisons are always of Appalachia and its parts to the rest of the nation and its corresponding parts.

Lack of urbanization?

Appalachia's image is rural. The 1964 report stressed a "lack of urbanization." Yet, even in 1969 the majority of Appalachians (59 percent) lived within the boundaries of today's metropolitan areas. The popular rural image best fits Central Appalachia, where both in 1969 and today only 15 percent of the population resides in metropolitan areas. In contrast, Northern Appalachia and Southern Appalachia were and remain 60 to 65 percent metropolitan.

Only in a relative sense is Appalachia's rural image accurate. Although three of every five Appalachians live in metropolitan areas, four of five of the rest of the nation's population do so. The metropolitan share even reaches 96 percent for the Mideast and 91 percent for the Far West. Likewise, fewer than 10 percent of Appalachians live in the most rural counties (Categories 6 and 7), but only five percent of the rest of the nation does. Within metropolitan areas, moreover, Appalachia's population is disproportionately in the smaller ones (Category 3), which house one third of the Appalachian population but only one-sixth of the rest of the nation's population. Finally, whereas 64 percent of the non-Appalachian population is in metropolitan areas of 250,000

or more (Categories 1 and 2), only 26 percent of the Appalachian population lives in these large cities. At the extreme is Central Appalachia with no metropolitan areas of 250,000 or more.

Many comparisons between Appalachia and the rest of the nation reflect the fact that Appalachia includes few large cities and is relatively rural. Yet, Appalachia is not unique among American regions in this regard. The Plains region matches Appalachia at only 59 percent metropolitan, and the Rocky Mountain region is but 64 percent metropolitan.

In summary, Appalachia remains relatively rural, but not uniquely rural or predominately rural. Its population is one-fourth in large metropolitan areas (Categories 1 and 2), three fifths in smaller metropolitan areas (Category 3) or adjacent to metropolitan areas (Categories 4 and 6), one-eighth in more isolated, freestanding urban counties (Category 5), and one twentieth in the most isolated, most rural counties (Category 7). Appalachia has proportionally fewer people in large metropolitan areas and proportionally more people in smaller metropolitan areas as well as every nonmetropolitan category.

Note that these findings reflect the official boundaries. Had Atlanta, Cincinnati, Columbus, and other major cities on the very edge of official Appalachia been included in the regional definition, Appalachia's urbanization gap would not be as pronounced. In short, Appalachia was defined to be a relatively rural area with few large cities. Likewise, the rural nature of Central Appalachia stands out precisely because it has been defined as one of three subregions — even though it includes less than 10 percent of the Appalachian population. Thus, there is a degree of circularity in regional definitions. A region, like Appalachia, popularly viewed and partially defined as the rural backyard of several states, consequently will be more rural than other regions.

The important definitional questions are (1) whether the region is properly defined for the objective of effecting regional economic development, (2) whether its definition as a more rural region has implications regarding other socio-economic conditions, and (3) whether those conditions are primarily rural attributes or somehow more fundamentally Appalachian attributes. The first of these questions is beyond the scope of this report, but the other two are considered in this section.

Low Income?

In 1969 Appalachia's per capita income was 78 percent of the rest of the nation's. By 1992 it had reached 83 percent. Again Central Appalachia stands out. It climbed from 56 to 67 percent of the non-Appalachian level but remains by far the subregion with the lowest income. Northern Appalachia, the leader in 1969 at 85 percent of the non-Appalachian level, remains at 85 percent today. Southern Appalachia has almost caught up with Northern Appalachia, going from 73 to 83 percent of the non-Appalachian level.

Most of the Appalachian per capita income gap can readily be understood in terms of urbanization. Metropolitan areas have higher per capita incomes (and often higher costs of living). Excluding Appalachia, the nation's nonmetropolitan areas have only 78 percent of the

national per capita income in 1992, up from 76 percent in 1969. Thus, the nation has a persistent metro-nonmetro income gap. The statistics for Appalachia and its subregions are pulled downward precisely because Appalachia has relatively few metropolitan areas, particularly large ones, which have the highest per capita incomes.

The Appalachian income lag is far less severe if examined more carefully with respect to urbanization. As the 1964 report pointed out, metropolitan Appalachia lags metropolitan America and nonmetropolitan Appalachia lags nonmetropolitan America. The gaps, however, are far smaller than heretofore believed — if one adjusts for the size of metropolitan area. Overall, metropolitan Appalachia improved from 80 percent to 86 percent of the national metropolitan per capita income between 1969 and 1992. Dividing metropolitan areas into the three population categories reveals that Appalachia has reached 92 to 96 percent for every category (compared to 85 to 91 percent in 1969). Meanwhile, nonmetropolitan Appalachia has climbed from 89 to 93 percent of the nonmetropolitan income level. From a population welfare standpoint, these remaining gaps may well be unimportant because of differences in cost of living.

The Appalachian income lag can be formally divided into the part that is due to urbanization differences and the part that is due to income differences within each urban-rural category. As noted, Appalachia has 83 percent of the national per capita income. Seen in another way, the gap is 17 percentage points. Less urbanization causes 10 percentage points of the gap, and lower per capita incomes 7 percentage points. These estimates result from multiplying the national population distribution among urban categories times the Appalachian per capita income for each category. Thus, the resultant Appalachian per capita income standardized for urbanization is 93 percent of the national one.

Only one category of county still exhibits the income lag commonly associated with Appalachia. People in the most rural, most isolated Appalachian counties (Category 7) still have only 82 percent of the per capita income of their counterparts elsewhere in the country. Yet, this group is only 5 percent of Appalachia's population. In Central Appalachia, however, these places account for 20 percent of the population; they have only 77 percent of the per capita income of such places elsewhere.

In summary, again relatively few places seem to fit the prevailing image of Appalachia. The others have small income lags relative to their counterparts. Appalachia as a whole has relatively low per capita incomes because it has few big cities and more isolated, rural areas. The Appalachian population distribution along the urban-rural scale causes most of the income lag. At each level of the scale except the smallest, Appalachian income is more than 90 percent of the corresponding national level. Standardizing for urbanization, Appalachia has reached 93 percent of the national level. Furthermore, even unstandardized, Appalachia does not stand out alone. Nonmetropolitan Appalachia has 1 to 2 percent higher per capita income than either the Southeast or Southwest regions, and metropolitan Appalachia has 94 to 98 percent of the per capita income of the metropolitan Southeast, Southwest, and Rocky Mountain regions.

Poverty?

By reputation Appalachia is a poor region, but that reputation is only partially supported by statistics. The 1970 census revealed that 18 percent of Appalachians had incomes below the official poverty level. That percentage fell to 13 percent by the 1990 census. Again, urbanization matters. In 1970 the Appalachian poverty rates were 14 percent in metropolitan areas and 23 percent elsewhere, while the rest of the United States had rates of 11 and 20 percent, respectively. Hence, 25 years ago Appalachia lagged by three percentage points in each case. By 1990 the two Appalachian rates were 11 and 16 percent — 1 percentage point higher than the rest of the nation's metropolitan rate and 2 percentage points higher than the rest's nonmetropolitan rate. The largest remaining gaps, 3 and 5 percentage points, occur in the relatively isolated counties (Categories 5 and 7).

Appalachia has poverty, considerable poverty, but the region does not stand out relative to the rest of the nation. Two regions have higher 1990 poverty rates than Appalachia. The Southeast and the Southwest have nonmetropolitan rates of 18 and 20 percent and metropolitan rates of 11 and 13 percent. Again, however, when Central Appalachia is considered separately, it fits the Appalachian image. It has a 24 percent nonmetropolitan poverty rate and a 15 percent metropolitan one. These rates are sharp improvements over its 1970 rates of 36 and 20 percent.

The special case of Central Appalachia becomes clearer when using the urban-rural continuum to examine the three subregions. Except for the most rural, isolated counties, where it has a 3 percentage point gap, Northern Appalachia is within 1 percentage point of the nation, plus or minus, in each category. Southern Appalachia is never worse than 1 percentage point behind the nation. Yet, Central Appalachia, despite its marked improvement, lags its counterparts in every category by 5 to 10 percentage points.

Deficits in Education?

Like the other indicators thus far, educational attainment ties closely to urbanization. Within Appalachia the percentage of the adult population that completed high school ranges from 53 percent in the most rural, isolated counties to 79 percent in the largest metropolitan areas. Both statistics are impressive changes from the 1970 Appalachian rates of 27 and 52 percent. In two decades, or one high school generation, the isolated rural areas of Appalachia have caught up to the earlier metropolitan rates. During the same period, Appalachia's large metropolitan areas have caught up with their corresponding national rates of 1970.

Despite this remarkable transformation, Appalachia still lags the nation in educational attainment. High school graduates nationally now account for 77 percent of adults in metropolitan areas and 70 percent elsewhere. Appalachia is 7 percentage points behind the nation, with the metropolitan areas 5 percentage points behind and other areas 8 percentage points behind. The largest gaps, as in 1970, belong to the two groups of counties that are not adjacent to metropolitan areas. They still lag their counterparts elsewhere in the nation by 10 and 15 percentage points.

The Central Appalachian story again can be viewed clearly through the urbanization continuum. Two-thirds of its people reside in the more isolated counties, compared to only 11

percent in the North and 15 percent in the South. (Central Appalachia is not synonymous with such counties; roughly two-thirds of the Appalachians living in isolated counties are *not* in Central Appalachia.) In all, 51 percent of the adults in nonmetropolitan Central Appalachia have completed high school, compared to 70 percent in Northern Appalachia and 59 percent in Southern Appalachia. Thus, only the North has matched the national education level. The range is smaller for metropolitan areas, 65 percent in Central Appalachia, 70 percent in Southern, and 75 percent in Northern.

Appalachia remains a place apart in terms of the educational attainment of its adult population, but again it does not stand alone. With 62 percent of its nonmetropolitan adult population having completed high school, Appalachia matches the Southeast and comes close to the Southwest's 65 percent. The Appalachian lag results largely from Central Appalachia being 11 to 21 percentage points behind its counterparts in each urbanization category and from Southern Appalachia being 10 to 13 points behind in smaller metropolitan areas and every nonmetropolitan category. In contrast, Northern Appalachia is within 3 percentage points in every category except the smallest, more isolated counties.

Although the Appalachian lag persists, educational attainment has improved dramatically in the region. Note that the measure used here and in the 1964 report incorporates the entire adult population. Increased attainment reflects primarily the education of young people, so the persistent gap largely reflects the more limited education of older generations. Studies that have focused exclusively on teenagers and young adults do not show similar education gaps.

Deficits in Living Standards?

The 1964 report examined housing conditions as a measure of living standards. One hackneyed image of Appalachia is the outhouse, complete with crescent moon carved into the door. Indeed, only 61 percent of Appalachian housing units had complete indoor plumbing in 1960 compared to 75 percent nationally. Central Appalachia again came closest to matching the popular image — just 37 percent of its housing had complete plumbing — but the other subregions both lagged the nation, too, with the North at 70 percent and the South at 55 percent.

Again, there is a clear relationship to urbanization. Within Appalachia complete plumbing in 1960 ranged from 32 percent of housing units in the small, isolated counties to 77 percent in the most populous metropolitan counties. Outside Appalachia the same range was 51 to 84 percent. The Appalachian gap was 6 or 7 percentage points for each of the three metropolitan categories but 21 percentage points for the most rural, isolated counties.

The Appalachian plumbing gap has virtually disappeared. By 1990 all but 2 percent of Appalachian housing had complete indoor plumbing. Even in Central Appalachia all but 5 percent of housing has full plumbing. The lowest numbers are still found in rural isolated counties, 91 percent with complete plumbing in Central Appalachia and 90 percent in Northern Appalachia. This category has the largest gap compared to the rest of the nation, 93 percent versus 96 percent.

Deficits in Jobs?

Unemployment. The 1964 report described Appalachia as "deeply unemployed." In 1960 the region had 6.8 percent unemployment, and the nation had 5.0 percent. Metropolitan Appalachia's unemployment exceeded the nation's other metropolitan areas, 6.5 to 5.0 percent. Similarly, nonmetropolitan Appalachia exceeded its counterparts, 7.2 to 5.2 percent. For every urban-rural category, Appalachia had unemployment rates 1.3 to 2.3 percentage points higher, despite the considerable outmigration of the previous decade. Only one region had a higher unemployment rate than Appalachia, the Mideast with a nonmetropolitan rate of 7.6 percent.

Thirty years later Appalachia's unemployment rate was again 6.8 percent, but the rest of the nation had climbed to 6.3 percent. The Appalachian lag had been cut by three-quarters, but ironically by the rest of the nation moving toward the Appalachian level. Metropolitan Appalachia even had a lower unemployment rate than the remaining metropolitan areas, 6.1 percent to 6.2 percent. Nonmetropolitan Appalachia had 7.9 percent unemployment — still higher than the nation's nonmetropolitan rate by 1.1 percentage points but smaller than its former 2.0 percentage point gap. The seven-part metropolitan continuum is again relevant. Appalachia is better off than the rest of the nation for the first two categories but worse off for the next five. The biggest Appalachian gap remains in the most rural, most isolated counties. Their 8.7 percent unemployment rate is 2.0 percentage points higher than its national counterpart.

Appalachia now has lower unemployment rates than several regions. Its 1990 metropolitan rate is lower than those of New England, Great Lakes, Southwest, and Far West. Its nonmetropolitan rate is lower than the Southwest's and Far West's.

Central Appalachia again comes closest to fitting the region's image. Its 1990 unemployment rate was 10.2 percent, while Northern Appalachia's was 7.3 percent and Southern Appalachia's 5.7 percent. Central Appalachia's nonmetropolitan rate of 10.7 percent, up from 8.9 percent in 1960, is almost 4 percentage points higher than the corresponding national rate and exceeds the nonmetropolitan rate of every region by 2.5 percentage points or more. Central Appalachia's metropolitan rate of 7.7 percent, down from 6.9, is greater than the unemployment rate of every region. In sharp contrast, Southern Appalachia had a lower nonmetropolitan unemployment rate than every region except the Mideast and the Plains and a lower metropolitan rate than all but the Plains and Rocky Mountains.

Jobs. Appalachia's job gap is "far greater" than the unemployment statistics suggest, argued the original report, because of "the many men and women who, in despair of ever finding jobs, have given up the search and withdrawn from the labor force." Unemployment statistics do indeed underestimate the number of people who would work if jobs were available (although not necessarily any more so for Appalachia than for other regions with histories of high unemployment). An alternative measure is the jobs to people ratio. Use of the unemployment rate implies that only the officially unemployed want a job, whereas use of the jobs/people ratio implies that everyone wants a job, including children, elderly, students, disabled, and prisoners. Since the truth is somewhere in between, this study examines both measures.

The jobs/people ratio confirms the Appalachian job gap of the 1960s. Appalachia had 40 jobs per 100 people in 1969, while the rest of the nation had 46. All the Appalachian subregions lagged the nation, ranging from Central Appalachia with 31 jobs per 100 people to Southern Appalachia with 43 jobs per 100. Metropolitan Appalachia at 42 jobs, lagged behind every U.S. region by 4 to 7 jobs, while nonmetropolitan Appalachia at 37 jobs was 2 to 7 jobs behind every region. Controlling for urbanization does not make these gaps disappear. The three Appalachian subregions lagged behind all their counterparts by urbanization category with but three exceptions. The mid-sized metropolitan areas and the more urban nonmetropolitan counties of Southern Appalachia (Categories 2, 4, and 5) have more jobs per capita than their national counterparts.

By 1992 metropolitan Appalachia had reached 51 jobs per 100 people, a gain of 9, and nonmetropolitan Appalachia 45 jobs, a gain of 8. The rest of the nation had similar gains, however, leaving Appalachia still 5 jobs per 100 behind in metropolitan areas and 4 jobs elsewhere. The subregions still lag in every category except for the same three in Southern Appalachia. As before, no U.S region has a lower jobs/people ratio than Appalachia in its metropolitan areas, but nonmetropolitan Appalachia has caught up with one region, the Southwest.

The jobs/people ratio shows considerable progress but confirms the continued deficit of jobs in Appalachia. The present deficit may be less severe than these numbers suggest because of demographic change. Appalachians have adjusted to the deficit by moving out of the region since the 1950s. The result is a relatively elderly population. Quite likely, if the jobs/people ratios were adjusted for age of population, the Appalachian job deficit would be smaller.

Altogether, these numbers support a popular image. Given the number of people who choose to remain in Appalachia, there were and are not enough jobs. Consequently, labor force participation and incomes are depressed. Some observers claim that an active informal, unreported economy closes the job gap, but the size of the informal economy has not been measured reliably and there is no evidence that it provides more jobs in Appalachia than elsewhere.

Job Growth. One image is incorrect, however. The Appalachian economy is neither declining nor stagnating. Although the job deficit persists, Appalachia is creating new jobs and growing faster than many other parts of the country. The number of jobs in nonmetropolitan Appalachia increased by 41 percent from 1969 to 1992 — *matching*, not lagging, the job growth of nonmetropolitan America. Metropolitan Appalachia gained 41 percent in jobs, too, but other metropolitan areas gained 58 percent. Northern Appalachia, in this case, pulls down the Appalachian average with its metropolitan growth of 18 percent and nonmetropolitan growth of 27 percent. On this measure, Central Appalachia bests the nation, growing 65 and 53 percent, as does Southern Appalachia, growing 73 and 52 percent. Even with the dampening effect of Northern Appalachia, nonmetropolitan Appalachia grew faster than the Great Lakes, Plains, and Southeast, and metropolitan Appalachia grew faster than New England, the Mideast, and the Great Lakes.

Population Decline?

Population decline and outmigration have been hallmarks of the Appalachian image since mid-century. The 1964 report noted that Appalachia lost 2 million people due to migration between 1950 and 1960. Its population only grew 1 percent that decade, while the nation grew 20 percent. The report argued, "Population trends in Appalachia offer the most convincing statistics to prove the deficit of opportunities which pervades the entire region."

Today's data are markedly different. Appalachia is growing, although not as fast as the nation. Appalachia's population increased 16 percent between 1969 and 1992, while the nation's population increased 28 percent. The growth lag is primarily metropolitan, 14 percent growth versus 30 percent. The nonmetropolitan lag is relatively small, 17 percent growth versus 20 percent. A dearth of dynamic cities is the root of Appalachia's slower than average growth.

A closer look reveals that parts of Appalachia are growing faster than their national counterparts. Southern Appalachia has no growth lag. Its metropolitan portion exceeds the nation, 41 percent growth to 30 percent, and its nonmetropolitan portion leads the nation 27 percent to 20 percent. It leads the nation in all but the second of the seven urbanization categories. Central Appalachia, although lagging the nation overall, is only 2 percentage points behind in the nonmetropolitan rate and leads the nation by 10 to 12 percentage points in the two most rural categories. For all Appalachia, these most rural counties have grown faster than their national counterparts, 16 percent versus 5 percent in the case of the most rural, most isolated counties.

Appalachia not only is no longer stagnant or declining it is growing faster than several other regions. Nonmetropolitan Appalachia grew faster than the Great Lakes or the Plains, and metropolitan Appalachia grew faster than New England, the Mideast and the Great Lakes.

This time Northern Appalachia provides the lone exception to fit the popular image. Heavily hit by the transformation of manufacturing and coal mining, it only grew 2 percent in population from 1969 through 1992. Its metropolitan areas declined by 2 percent, while its nonmetropolitan areas grew only 10 percent. In each category, its metropolitan areas lagged the nation by more than 30 percentage points, although population loss occurred only in the most populous category (primarily the Pittsburgh area). All its nonmetropolitan county categories lagged the nation, too, except the most rural, isolated one, which grew 9 percent but only accounts for 2 percent of the subregion's population. Perhaps the most positive statement that can be made is that, despite the industrial transformation that affected the region, all categories of Northern Appalachia grew 1 to 9 percent except the largest metropolitan one.

Summary: The Three Questions

In addition to updating the 1964 report and reexamining its image of Appalachia, this analysis sought to answer three important questions. Yes is the answer to all three questions. This section notes a few main points of evidence.

1. Fact: Conditions in Appalachia have improved greatly.

- The percentage of Appalachians in poverty declined from 18 percent to 13 percent between 1970 and 1990.
- The percentage of adults who graduated high school jumped from 44 percent to 68 percent.
- The percentage of housing units with complete plumbing has leaped from 61 percent to 98 percent between 1960 and 1990.
- The number of jobs per 100 people jumped from 40 in 1969 to 49 in 1992.
- The number of jobs increased 41 percent between 1969 and 1992.
- Appalachia's population increased 16 percent between 1969 and 1992.

2. Fact: Appalachia has been catching up with the rest of the nation.

- Appalachian per capita income has reached 93 percent of the national level, standardizing for level of urbanization.
- Appalachian per capita income for nonmetropolitan areas is higher than that of the Southeast and Southwest regions of the United States.
- Appalachian poverty rates are below Southeastern and Southwestern ones.
- Metropolitan Appalachia has 1 person per 100 more in poverty than do the rest of the nation's metropolitan areas; nonmetropolitan Appalachia has 2 people per 100 more than its counterpart.
- Appalachia's metropolitan unemployment rate in 1990 was 0.1 percentage point lower than the nation's.
- Employment growth is greater in Appalachia than in several U.S. regions.
- Appalachia's population is growing faster than some other regions'.

3. Fact: Appalachia still lags the nation.

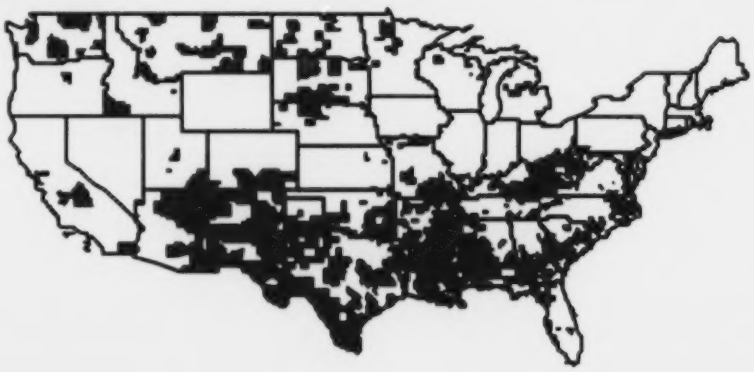
- The most rural, most isolated Appalachian counties have only 82 percent of the per capita income of such counties elsewhere.
- The most isolated Appalachian counties have 3 to 5 more people per 100 in poverty than such counties elsewhere.
- Central Appalachia has considerably higher poverty rates than the nation, with 24 people per 100 living in poverty.
- The nonmetropolitan unemployment rate in Appalachia was still 2 percentage points higher than the nation's in 1990 and was almost 11 percent in Central Appalachia..
- Appalachia has lower educational attainment than the rest of the nation, with 7 fewer high school graduates per 100 adults.
- Only half the adults in nonmetropolitan Central Appalachia have graduated high school.
- Appalachia has six fewer jobs per 100 people than the rest of the nation.

WHERE DO THE REALITIES OF DEPRIVATION REMAIN PARTICULARLY SEVERE?

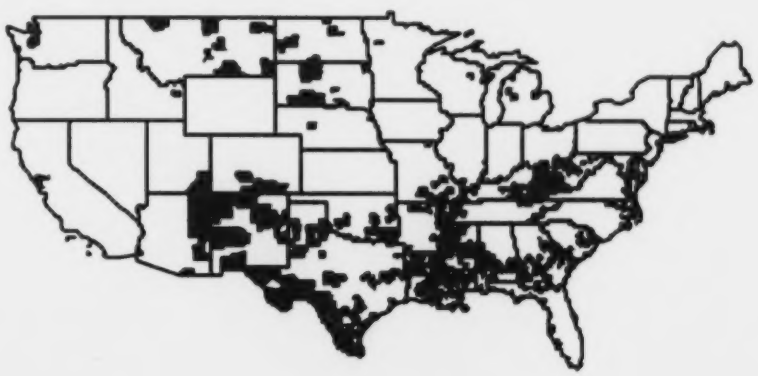
Heterogeneity characterizes Appalachia. For example, Central Appalachia has the most poverty, and Northern Appalachia the least growth. Likewise, metropolitan areas have higher per capita incomes, higher education levels, and lower unemployment rates than other places. This section takes a closer look within the region and compares it to other parts of the country. It does so using maps that depict all counties in the continental United States. The fundamental questions are where in Appalachia do conditions remain particularly adverse and where in the rest of the nation do people suffer from similar conditions. Again, the variables are based on the original 1964 report and its characterization of Appalachia.

Poverty 1990

In the 837 shaded counties below, more than 20 percent of the people lived in poverty in 1990. A cluster of Appalachian counties centered on Kentucky is readily apparent. Perhaps more striking is the paucity of shaded Appalachian counties to the north and south — testimony to the diversity of Appalachia. Also, evident are several clusters of high poverty outside Appalachia.

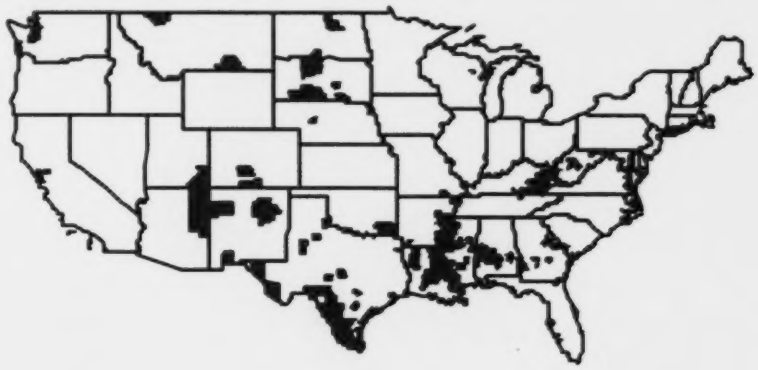


The next map shows the 418 counties with more than 25 percent of their residents living in poverty. An Appalachian cluster remains distinct. The Mississippi Delta, the Four Corners



area, and the Texas border come more sharply into focus as other regions of extreme poverty.

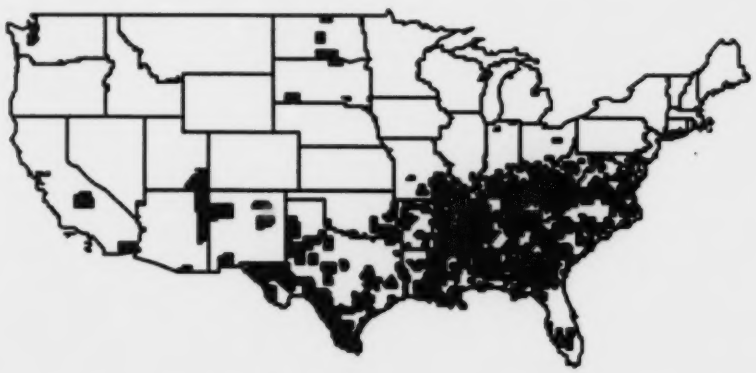
The final map shows the 193 counties with more than 30 percent of their people in poverty. Appalachia includes some of the worst off counties in the nation, but the borders of Appalachia exclude numerous poor counties in several southern Appalachian states.



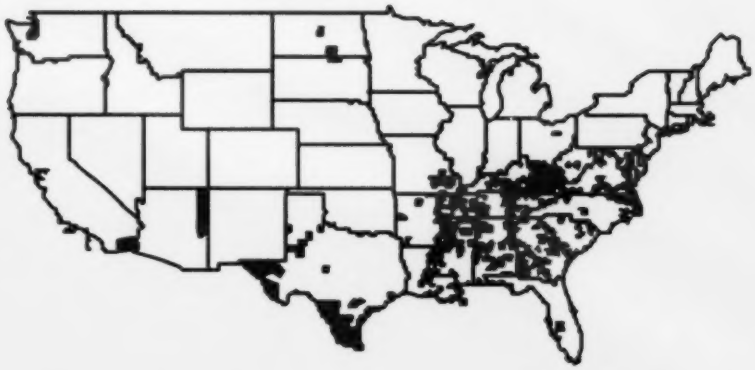
The poverty maps show that the realities of deprivation remain particularly severe in parts of the region. All Appalachia does not suffer these conditions nor is the rest of the nation immune from them. Appalachia's borders neither delineate a region of poverty nor contain the only clusters of very poor places, but poverty persists in the region.

Educational Attainment 1990

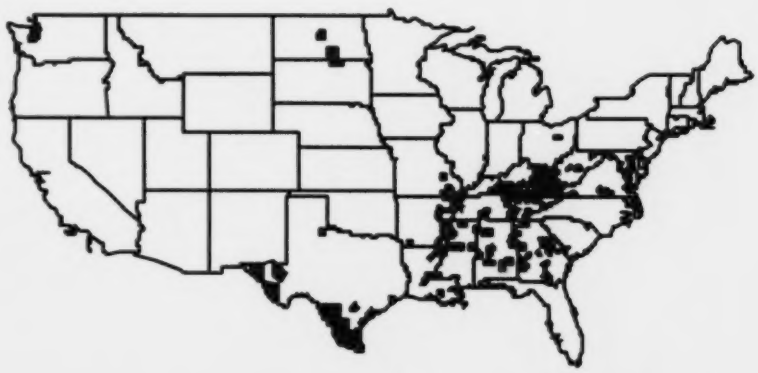
Fewer than 60 percent of the adults in the 664 shaded counties completed high school. Limited formal education attainment is primarily a southern phenomenon, and Appalachia fits the national pattern. Its northern part is unshaded, but southern Appalachia contains many shaded counties.



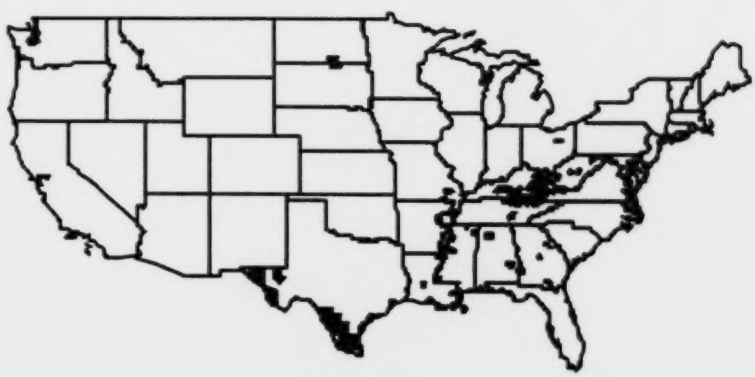
The next map shows the 324 counties where fewer than 55 percent of adults completed high school. The middle of Appalachia and the Mississippi Delta come into focus as areas of especially low educational attainment within the Southeast.



Emphasizing the 187 counties where fewer than 52 percent of adults have completed high school brings the Appalachian cluster into sharper focus.

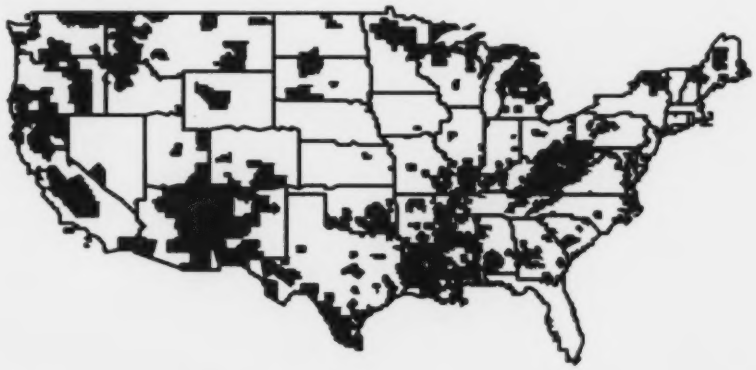


The maps of formal educational attainment echo the maps for poverty. The phrase, "realities of deprivation," still describes part of Appalachia. The final map shows the 128 counties where more than half the adults did not graduate high school, and the central Appalachian group stands out sharply.

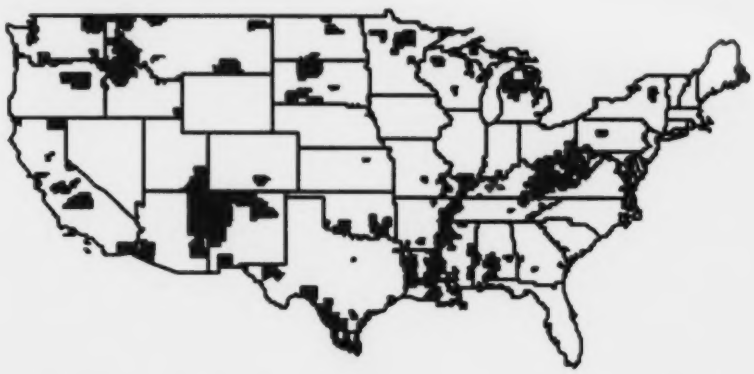


Unemployment 1990

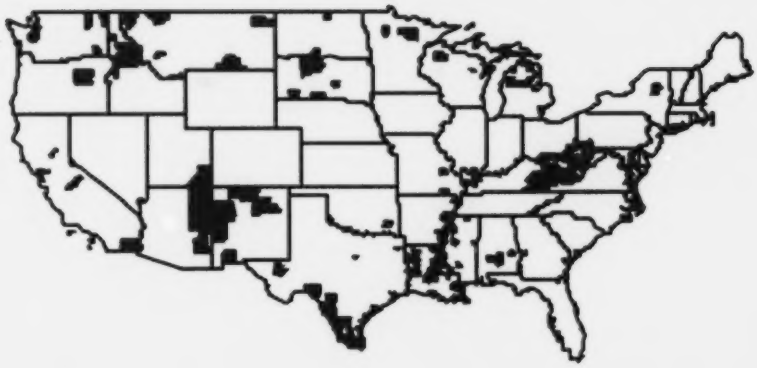
A large cluster of Appalachian counties is readily apparent among the 663 counties with unemployment rates above 8.5 percent in 1990.



Focusing on the 328 counties with 10.5 percent or more unemployment reveals several clusters across the nation, including central Appalachia and the Mississippi Delta. Two areas once served by regional commissions stand out, too. The striking block of counties in Arizona, Utah, and New Mexico recalls the defunct Four Corners Regional Commission, whereas the group in Michigan, Wisconsin, and Minnesota suggests the Upper Great Lakes Regional Commission. Two other areas, one formerly served by the Ozarks Regional Commission and including parts of Arkansas, Oklahoma, Kansas, and Missouri, and one formerly served by the New England Regional Commission, show fewer extreme unemployment areas.

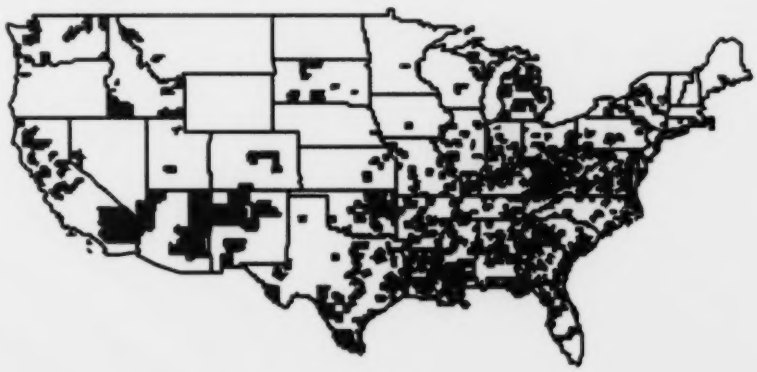


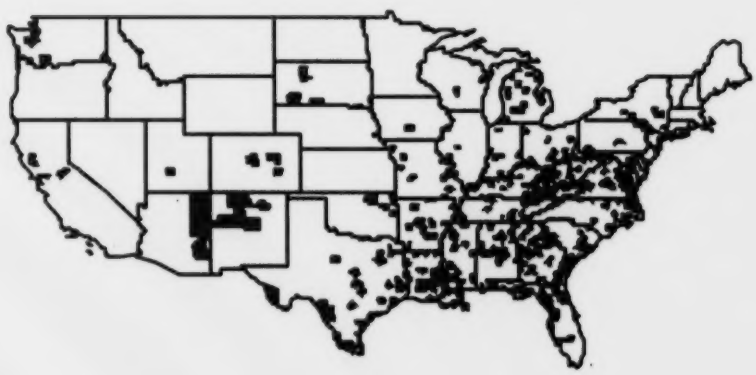
In short, Appalachia contains counties where people face very high unemployment rates, but the Mississippi Delta, the Texas border, the Four Corners, and the Upper Great Lakes also contain such places. The roots of the unemployment are varied, as are its ethnicity — whites in Appalachia, African-Americans in the Delta, Hispanics in Texas, and Native Americans in the Four Corners and elsewhere. The last map shows 207 counties with unemployment greater than 11.5 per cent and again reveals several Appalachian counties, but also the other clusters.



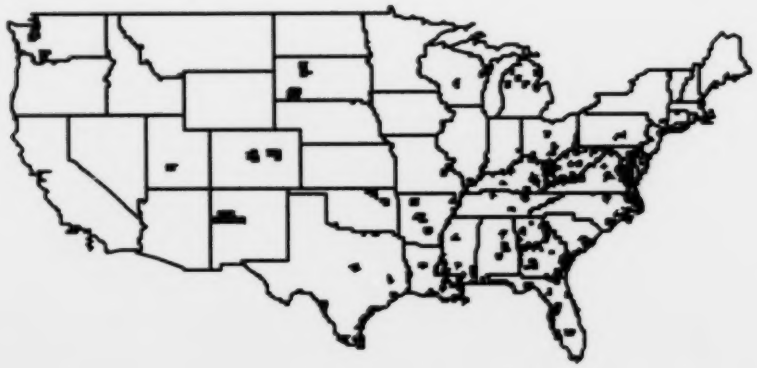
Jobs 1994

There are 745 counties with fewer than 40 jobs for every 100 people. They are mainly in the eastern United States, partially reflecting shorter intercounty commuting distances there. Clusters of places where jobs are scarce appear in Appalachia, the Mississippi Delta, the Great Lakes, the Four Corners, and the Ozarks regions. Counties with large numbers of students, retired people, and others not available for work may have low jobs to people ratios, but neither those explanations nor commuting are likely explanations of those clusters. The second map, showing 391 counties with fewer than 35 jobs per 100 people, again reveals an Appalachian cluster.



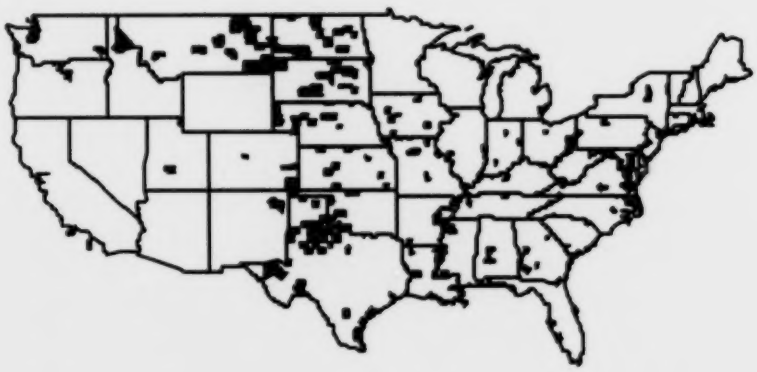


As was the case with the other measures, Appalachia contains a group of counties that are among the worst off in the nation. Once again, being worst off neither defines all of Appalachia accurately nor characterizes portions of it exclusively. The final map shows the 159 counties with fewer than 30 jobs for each 100 people. An Appalachian group centered on Kentucky and West Virginia is evident.

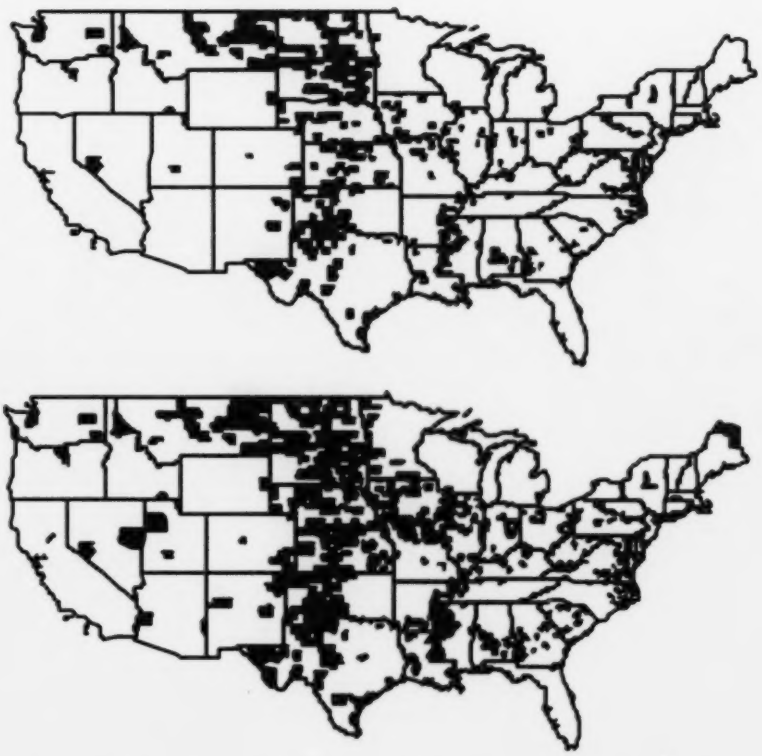


Employment Growth 1969-94

Stagnation and decline are also part of the conventional vocabulary for describing Appalachia. The following map shows the 190 counties where the number of jobs declined by more than 10 percent over the quarter century. Conspicuous by its absence is Appalachia.



Loosening the standard to show all 361 counties that did not gain jobs over the period 1969-94 confirms that Appalachia has very few declining counties. Finally, a map of the 605 counties that either declined or grew less than 10 percent makes clear that stagnation and decline are misnomers for Appalachia, although several strings of Appalachian counties are among this group.

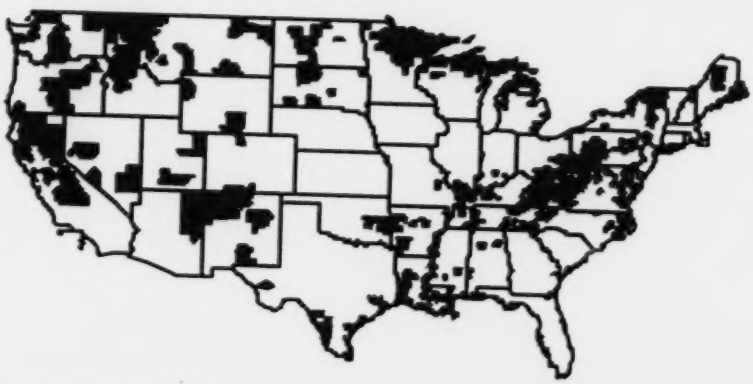


Of all the measures examined here, the one standard that reveals no major cluster of Appalachian counties is employment growth. Almost the entire region has been growing, including those areas centered on Kentucky that have been so readily apparent in the other maps. Ironically, the only broad, valid characterization of all Appalachia justified by these maps is Appalachia as a region of employment growth — not rapid growth but definitely not stagnation or decline.

THEN AND NOW

The characterization of Appalachia promulgated by the Report of the President's Appalachian Regional Commission in 1964 is of limited validity today. At the time it reinforced the popular image of Appalachia — low income, high poverty, limited education, poor living standards, job deficits, high unemployment, outmigration, stagnation, and decline. Today those conditions do not characterize the region as a whole. Current data support neither the 1964 characterization of Appalachia as a region apart statistically nor the 1964 assertion that Appalachians lack fully active membership in the American society. Instead, the statistics show a region that has improved greatly, still lags the nation on some broad indicators, and still contains some of the worst off counties in the nation.

The statistical findings raise an immediate question. Was the 1964 characterization invalid even then except for a relatively small part of official Appalachia? An answer can be sought in the same kind of map used for today's analysis. The following map shows the 458 counties in which more than 7.5 percent of the labor force was unemployed in 1960. It reveals why Appalachia was a legitimate and major national policy concern then. Leaping from the map is a contiguous belt of high unemployment counties in eight of the original ten Appalachian states. No data for today show Appalachia so clearly as a homogeneous, lagging region. Fewer Appalachian counties are now among the nation's worst off.



The map also supports the designation in 1965 of the Upper Great Lakes and the Four Corners regions as Title 5 regional commissions. Appalachia was unique politically in the 1960s in that it was the only contiguous region of high unemployment that affected so many states simultaneously — a fact that may explain why the Appalachian Regional Commission received far more Congressional support and appropriations than the short-lived Title V regional commissions. Today fewer places in Appalachia fit the old images, but the realities of deprivation remain severe in parts of Appalachia, as well as other parts of the country.

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